

NIAGARA ERIE REGIONAL COALITION

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Co-Chairs:

Hon. Clyde Burmaster
Hon. Kathy Konst

Minutes of Niagara Erie Regional Coalition Meeting February 22, 2008

Members:

James Allen
Dr. Ruth Bereson
John Cappellino
Hon. Paul Dyster
Hon. Wright Ellis
Samuel Ferraro
Robert Gower
Hon. Michele Iannello
David Lacki
Celeste Lawson
Gregory Lewis
Hon. Peter McMahon
Hon. Barbara Miller-Williams
Hon. John Mills
Hal Morse
Hon. Jason Murgia
Hon. Sean O'Connor
Christina Orsi
John Percy
Dr. Gary Praetzel
Hon. Edward Rath III
David Roll
Hon. William Ross
Laura St. Pierre Smith
Hector Titus
Timothy Wanamaker
Peter Wendel

Ad Hoc:

Michael Casale
Matthew Enstice
Melinda Rath Sanderson
Lawrence Witul

Executive Director:

Tod A. Kniazuk

Present: Burmaster, Konst, Allen, Bereson (proxy by Patrick Fagan), Ellis, Ferraro, Gower, Lacki, Lawson, Mills, Morse, Orsi, Percy, Rath, Ross, St. Pierre Smith (proxy by Craig Turner), Wendel

Excused: Cappellino, Iannello, McMahon, Praetzel, Roll, Titus, Rath Sanderson

Absent: Dyster, Lewis, Miller-Williams, Murgia, O'Connor, Wanamaker, Casale, Witul

The meeting was called to order at 8:50 a.m. by Niagara Erie Regional Coalition Co-Chairs Clyde Burmaster and Kathy Konst. Co-Chair Burmaster welcomed Konst as the new Erie County co-chair. Coalition member John Cappellino and the Erie County Industrial Development Agency (ECIDA) were thanked for hosting the meeting.

Departing members Colleen DiPirro, Andrew Eszak, Hon. Timothy Kennedy, and Christopher Schoepflin were thanked for their service.

New members City of Niagara Falls Mayor Paul Dyster, Erie County Legislature 3rd District Representative Barbara Miller-Williams, Empire State Development Regional Director Christina Orsi, and Erie County Legislature 15th District Representative Edward Rath III were welcomed. Guests Grand Island Town Councilman Gary Rush, the Buffalo Niagara Partnership's Sarah Ham, and Rich Guarino from the Greater Buffalo Niagara Regional Transportation Council were also welcomed.

The Co-Chairs explained the realignment of the subcommittees, which will now consist of Economic Development, Government Affairs, and Tourism & Culture. Transportation will remain an important focus of the Coalition, but most of the Transportation Subcommittee's issues were closely tied to economic development, tourism, or sometimes government; as such, those issues will be addressed in the three current subcommittees. Economic

Development will be chaired by James Allen, Government Affairs by Hon. Peter McMahon, and Tourism & Culture by David Lacki.

Minutes of the December 2007 meeting were unanimously approved. The 2008 general meeting dates were approved.

Regional Coalition Executive Director Tod A. Kniazuk presented the sustainability update. The beginning balance for the period was -\$7346.95 and the ending balance was -\$7297.43. Kniazuk explained that the Erie County Industrial Development Agency has agreed to advance funding pending receipt of the grant funds we received from State Senator Dale Volker. Counting half those funds for 2007, our "eventual" balance for fiscal year 2007 will be \$729.85. A budget for fiscal year 2008 was also presented.

We have been granted \$5,000 once again from Niagara County for 2008, and this year Erie County is contributing \$20,000. In addition, our 2008 contributors already include the Arts Council in Buffalo & Erie County (contract work), the ECIDA (housing and hosting), and the Niagara County Center for Economic Development (hosting). Member fee invoices will be going out soon; please remember to contribute!

Co-Chair Konst noted that Coalition members were asked to bring one name of a possible member with them to the general meeting, and asked for those names. Coalition member Celeste Lawson suggested Arlene White of the Binational Tourism Alliance, Kerry Mitchell of the Canadian Consulate, newly appointed City of Buffalo Arts Commission Chair Barbra Kavanaugh, and the City of Buffalo's soon to be appointed economic development commissioner. Coalition member Peter Wendel suggested Pat Whalen, who used to be with the World Trade Center Buffalo but is now with the Buffalo Niagara Medical Campus. No other members had suggestions.

We jumped ahead briefly to new business as Lawson mentioned the upcoming commemoration of the War of 1812. She noted that Canada is out front on this, and that WNED is doing a big project. A "Legacy Council" has been created for planning and fundraising. Regional Coalition member David Lacki responded that both the Buffalo Niagara Convention & Visitors Bureau and Niagara Tourism & Convention Corporation will be involved, but that more involvement in the United States is needed. Regional Coalition member John Percy added that New York State and the I Love NY tourism program

need to come on board and lead the US efforts; otherwise it will be a piecemeal effort of all the local communities involved.

The group then turned to the meeting's main topic, a Focus on Economic Development. As David Roll was not in attendance, we skipped the Explore Buffalo Niagara 2007 report and went straight to Empire State Development as presented by Regional Director and new Coalition member Christina Orsi.

Note: The majority of the presentation was based on a PowerPoint presentation which can be accessed at www.erie.gov/regionalcoalition in our "News" section on the right hand side of the main page. As such, the minutes below are primarily comments or questions not contained in the PowerPoint.

Orsi noted the proposed \$1 billion fund for upstate economic development, which was a result of last year's Regional Blueprint meetings. Additional signs of renewed commitment to our region are the first ever "State of Upstate" address held here this year, and the appointment of Daniel Gundersen as the upstate chair of the Empire State Development Corporation (ESD) – previously the headquarters, policy, and programs all came out of New York City.

Other changes in store at ESD include a new focus on small business; in the past there were no programs for them. Previously there was only \$1.2 million to represent New York around the world, but now there is \$5 million and that will continue to grow.

The Governor has a "four pillar strategy" for economic development: Reduce the cost of doing business; innovation economy; regional and community based development; and improve infrastructure.

Getting in to specifics on the \$1 billion fund, Orsi explained that \$50 million will be used for agribusiness. In a related effort, there will be an attempt to increase the amount of food used in New York City that is purchased from upstate New York. Some of the first projects using the revitalization fund will be "catalyst" projects like the Peace Bridge, Erie Canal Harbor Corporation, Old Falls Street in Niagara Falls, and Rochester mid-town redevelopment. The next phase will be for second tier cities such as Lockport and North Tonawanda. There will also be a \$350 million "Regional Blueprint Fund" for brownfields, and \$10 million for venture capital.

Next steps are the budget process, brownfields legislation, Power for Jobs legislation, Empire Zone legislation, and ESD process improvements and streamlining. The goal is to have this year's money "on the street" by May.

Orsi noted that 25 companies have used over \$1 billion in brownfield remediation funds, with several of these big money projects being downstate condos or apartments. The proposed legislation would cap each project at \$15 million, which is fine for our region as most projects are in the \$5-10 million range. It would also allow everyone to get liability release, and ESD instead of the DEC would determine the tax credits.

The Power for Jobs legislation would be a one-year extension, but would then allow for seven year contracts. This would allow the Power Authority to purchase at lower rates and would give companies more certainty. There would be new criteria for eligibility with less emphasis on jobs and more on capital investment.

According to Orsi, the Empire Zone program is broken and needs to be redone. That said, here it's been effective about half of the time. There probably won't be any changes this year, but there probably won't be any expansion of the program either. A decertification process has been started for the "worst offenders" – something that's never been done before.

If it costs so much for brownfield remediation, is that really the best use of funds, Co-Chair Burmaster inquired. There's so much focus on it, and it takes such a long time, he said. Orsi replied that this is not to the exclusion of greenfield development. She continued that brownfield redevelopment is consistent with the Framework for Regional Growth, and that while brownfields may cost more to develop they also usually have the greatest existing capacity for infrastructure. Coalition member Samuel Ferraro added that ESD has asked each county to create a priority project list for the fund. The Niagara County list will be presented to the Legislature on March 4.

The Co-Chairs thanked Orsi on behalf of the Coalition for the presentation.

Under new business, Wendel suggested that we consider a presentation to the full board on the University at Buffalo 2020 plan. Coalition member Hal Morse noted that for every 100 new students

there is an impact of 107 jobs. GBNRTC calculated this using a model from San Diego. Morse also suggested learning more about the Buffalo Niagara Partnership regional agenda, and Ferraro suggested the Great Lakes compact.

The next general meeting date was set for Friday, May 9 at 8:30 a.m. at the Niagara County Center for Economic Development (thanks to Samuel Ferraro). The Co-Chairs thanked the group, and the meeting was adjourned at 10 a.m.

Submitted by Tod A. Kniazuk
May 2, 2008